MR. NELSON: Thanks for this opportunity to comment on your scoping effort. I'd like to address the environmental impacts and fair return aspects of the scoping. My name is Gerald Nelson. I'm a Grand Junction resident. I'm a member of the Citizens for Clean Air, a local group that's concerned about air quality in the Grand Valley. And I'm so a Professor Emeritus from the University of Illinois, Urbana Champaign. I'd like to comment tonight -- today about from the perspective of my professional background. I was also a former Research Fellow with the International Truth Policy Research Institute in Washington, D.C. My professional research activities focus on the potential effects of climate change on domestic and international food security. A link to a list of my research publications is available at the end of the document, which I've already submitted in the back of the room. This research has seen widespread use, both domestically and internationally. In the United States, it has been used by the Department of Agriculture, and national intelligence agencies, among others. Internationally, it's been used by organizations, such as the World Bank, the U.N.'s FAO, and the International Panel on Climate Change. Both my own research and my professional assessment of the scientific literature on the effects of climate change lead me to the conclusion that climate change poses an existential threat to the human species. Life on our planet will continue to survive as it has for a billion years. But, we could be the first species to be responsible for its own extinction. To reduce the probability of this happening, we must act quickly to slow, and eventually stop, the net addition of greenhouse gases, or GHGs, particularly carbon dioxide, to the atmosphere. Coal, along with other fossil fuels, represent stored sunlight. Unfortunately, with current practices, converting that ancient energy into useful energy today requires adding more greenhouse gases to the air at a time when we need to be ending this practice. Until commercially viable technology is developed to reduce carbon pollution from coal burning, we need to expeditiously phase out the use of coal for energy generation. The U. S. Court System has recognized the harmful effects of carbon pollution and directed the Federal government to take these effects into account. For example, the U.S. District court for the District of Colorado, in 2014, specifically required the use of the social cost of carbon

calculations in a cost-benefit analysis underpinning the approval of Federal coal leases. This information should become a key part of revisions to the leasing program to address the PIEs focus on fair return, a topic to which I now turn. Many have commented at this scoping session and elsewhere about the lack of -- how the lack of transparency makes it difficult to assess the fairness of the leasing program. Many have pointed out that the effective royalty rates are substantially below the nominal rates that we've heard about earlier today. This is an outcome that is likely that the BLM often negotiates the details of a lease with a single bidder and continues -- considers this information as proprietary. As an economist, I strongly favor relying on market based mechanisms to simplify the leasing program and increase this transparency. The use of the application of the royalty rate to the gross market price would make this program much more transparent. We need to modify it, as well, to include the social cost of carbon. Thank you.